

SHERIDAN TOWNSHIP
CALHOUN COUNTY, MICHIGAN
AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2004

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INDEPENDENT AUDITOR'S REPORT

Honorable Board Members
Sheridan Township
13355 29 Mile Road
Albion, MI 49224-9424

We have audited the general purpose financial statements of Sheridan Township, Albion, Michigan, and the combining, individual fund, and account group financial statements and schedules of the Township as of and for the year ended March 31, 2004, as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Sheridan Township, Albion, Michigan, as of March 31, 2004, and the results of its operations for the year then ended in conformity with generally accepted accounting principles generally accepted in the United States of America.

Randall L. Tepatti, *Registered Representative*

Securities offered through H.D. Vest Investment SecuritiesSM, Inc., Member SIPC. Advisory Services offered through H. D. Vest
Advisory ServicesSM, Non-bank subsidiaries of Wells, Fargo & Company
6333 North State Highway 161, Suite 400, Irving, Texas 75038 (972) 670-6000

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Sheridan Township, Albion, Michigan. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements, taken as a whole.

Cardinal Tizatti & Co. P.C.

Grand Ledge, Michigan
October 8, 2004

**SHERIDAN TOWNSHIP
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
MARCH 31, 2004**

	Governmental Fund Types			Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	
ASSETS							
Cash and Cash Equivalents	\$ 438,371	\$	\$ 36,712	\$ 75,549	\$	\$	\$ 550,632
Receivables:							
Accounts			3,800				3,800
Taxes	4,823	18,427					23,250
Special Assessments			200,000				200,000
Other							0
Due from Other Funds	25,723	56,913		20,888			103,524
Due from Other Governments	1,034	2,609					3,643
Fixed Assets					1,306,296		1,306,296
Amount to be provided for retirement of long-term debt						369,672	369,672
Total Assets	\$ 469,951	\$ 77,949	\$ 240,512	\$ 96,437	\$ 1,306,296	\$ 369,672	\$ 2,560,817
LIABILITIES AND FUND BALANCE							
Liabilities							
Accounts Payable	\$ 1,206	\$ 318	\$	\$ 11,543	\$	\$	\$ 13,067
Deferred Revenues			180,000				180,000
Accrued Wages	518	1,498					2,016
Due to Other Funds		627	20,888	82,009			103,524
Lease Contract						189,672	189,672
Bonds Payable:							
Current						25,000	25,000
Long-Term						155,000	155,000
Undistributed Tax Collections				2,536			2,536
Performance Bonds Payable				349			349
Total Liabilities	\$ 1,724	\$ 2,443	\$ 200,888	\$ 96,437	\$ -0-	\$ 369,672	\$ 671,164
Fund Equity							
Investment in General Fixed Assets	\$	\$	\$	\$	\$ 1,306,296	\$	\$ 1,306,296
Fund Balances:							
Reserved for Debt Service			39,624				39,624
Unreserved:							
Undesignated	468,227	75,506					543,733
Total Fund Equity	\$ 468,227	\$ 75,506	\$ 39,624	\$ -0-	\$ 1,306,296	\$ -0-	\$ 1,889,653
Total Liabilities and Fund Equity	\$ 469,951	\$ 77,949	\$ 240,512	\$ 96,437	\$ 1,306,296	\$ 369,672	\$ 2,560,817

The notes to the financial statements
are an integral part of this statement

**SHERIDAN TOWNSHIP
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED MARCH 31, 2004**

	General	Special Revenue	Debt Service	Total (Memo. Only)
REVENUES				
Taxes	\$ 55,806	\$ 192,752	\$ 20,000	\$ 268,558
State Grants	174,437			174,437
Licenses & Permits	10,899			10,899
Charges for Services		6,154		6,154
Interest & Rentals	3,540		3,800	7,340
Other Revenue	433			433
	<u>245,115</u>	<u>198,906</u>	<u>23,800</u>	<u>467,821</u>
Total Revenues	\$ 245,115	\$ 198,906	\$ 23,800	\$ 467,821
EXPENDITURES				
Current:				
Legislative	\$ 3,600	\$	\$	\$ 3,600
General Government	114,476			114,476
Public Safety	11,636	170,307		181,943
Public Works	7,019			7,019
Health and Welfare	1,346			1,346
Other	26,100			26,100
Debt Service:				
Principal	17,159		20,000	37,159
Interest and Fiscal Charges	13,252		4,000	17,252
	<u>194,588</u>	<u>170,307</u>	<u>24,000</u>	<u>388,895</u>
Total Expenditures	\$ 194,588	\$ 170,307	\$ 24,000	\$ 388,895
Excess of Revenues Over (Under) Expenditures	\$ 50,527	\$ 28,599	\$ (200)	\$ 78,926
Fund Balance - April 1	<u>417,700</u>	<u>46,907</u>	<u>39,824</u>	<u>504,431</u>
Fund Balance - March 31	<u><u>\$ 468,227</u></u>	<u><u>\$ 75,506</u></u>	<u><u>\$ 39,624</u></u>	<u><u>\$ 583,357</u></u>

The notes to the financial statements
are an integral part of this statement

SHERIDAN TOWNSHIP
BUDGET AND ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2004

	General Funds			Special Revenue Fund			Total (Memorandum Only)		
	Budget	Actual	Variance Favorable (Unfavor)	Budget	Actual	Variance Favorable (Unfavor)	Budget	Actual	Variance Favorable (Unfavor)
REVENUES									
Taxes	\$ 53,362	\$ 55,806	\$ 2,444	\$ 180,000	\$ 192,752	\$ 12,752	\$ 233,362	\$ 248,558	\$ 15,196
State Grants	189,000	174,437	(14,563)				189,000	174,437	(14,563)
Licenses & Permits	23,900	10,899	(13,001)				23,900	10,899	(13,001)
Charges for Services				6,280	6,154	(126)	6,280	6,154	(126)
Interest & Rentals	4,500	3,540	(960)				4,500	3,540	(960)
Other Revenue	7,000	433	(6,567)				7,000	433	(6,567)
Total Revenues	\$ 277,762	\$ 245,115	\$ (32,647)	\$ 186,280	\$ 198,906	\$ 12,626	\$ 464,042	\$ 444,021	\$ (20,021)
EXPENDITURES									
Current:									
Legislative	\$ 3,600	\$ 3,600	\$ -0-	\$	\$	\$	3,600	3,600	\$ -0-
General Government	194,900	114,476	80,424				194,900	114,476	80,424
Public Safety	34,600	11,636	22,964	167,520	170,307	(2,787)	202,120	181,943	20,177
Public Works	20,800	7,019	13,781				20,800	7,019	13,781
Health and Welfare	6,500	1,346	5,154				6,500	1,346	5,154
Other	41,700	26,100	15,600				41,700	26,100	15,600
Debt Service:									
Principal	17,159	17,159	-0-				17,159	17,159	-0-
Interest and Fiscal Charges	13,253	13,252	1				13,253	13,252	1
Total Expenditures	\$ 332,512	\$ 194,588	\$ 137,924	\$ 167,520	\$ 170,307	\$ (2,787)	\$ 500,032	\$ 364,895	\$ 135,137
Excess of Revenues Over (Under) Expenditures	\$ (54,750)	\$ 50,527	\$ 105,277	\$ 18,760	\$ 28,599	\$ 9,839	\$ (35,990)	\$ 79,126	\$ 115,116
Fund Balance - April 1		417,700			46,907			464,607	
Fund Balance - March 31		\$ 468,227			\$ 75,506			\$ 543,733	

The notes to the financial statements
are an integral part of this statement

SHERIDAN TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Sheridan Township, Albion, Michigan conform to generally accepted accounting principles. The following is a summary of such significant policies:

Principles Determining Scope of Reporting Entity

The financial statements of the Township consist only of the funds and account groups of the Township. The Township has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the Township. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board.

Basis of Presentation

The accounts of the Township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into fund types, broad fund categories and account groups as follows:

Governmental Funds

General Fund - This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the local unit. Revenues are derived primarily from property taxes, state and federal distributions, grants and other intergovernmental revenues.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

SHERIDAN TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fiduciary Funds

These funds are used to account for assets held in trust or as an agent for others. The Current Tax Collection Fund and Trust and Agency Fund are the Township's only fiduciary funds.

Account Groups

General Fixed Assets Account Group - This Account Group presents the fixed assets of the local unit utilized in its general operations (nonproprietary fixed assets).

General Long-Term Debt - This Account Group is used to account for all long-term obligations of the Township, except those accounting for in Proprietary Funds.

Total Column On Combined Statements - Overview

The total column on the Combined Statements - Overview is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Basis of Accounting

The basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing or the measurement made, regardless of the measurement focus applied.

All governmental funds and agency funds are accounted for using the modified accrual basis of accounting. Modifications in such method from accrual basis are as follows:

- a. Property taxes and other revenue that are both measurable and Available for use to finance operations are recorded as revenue when earned. Other revenue is recorded when received.

Properties are assessed as of December 31, and the related property taxes become a lien the following year. These taxes are due on September 30, with the final collection date of February 28, before they are added to the county tax rolls.

SHERIDAN TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of Accounting (Cont'd)

- b. Interest income on special assessments receivable is not accrued until its due date.
- c. Interest on bonded indebtedness and other long term debt is not recorded as an expenditure until its due date.
- d. Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- e. Normally, expenditures are not divided between years by the recording of prepaid expenses.

Budget Policies

The Township follows these procedures in establishing the budgetary data reflected in the financial statements.

- 1. Prior to the annual meeting the last Saturday of March, the Supervisor submits, to the Township Board, a proposed operating budget for the calendar year beginning the following April 1. The operating budget includes proposed expenditures and the means of financing them.
- 2. During the annual meeting, a public hearing is conducted to obtain taxpayer comments. After the public hearing, the budget is legally enacted through passage of a resolution.
- 3. Any revision of the budget must be approved by the Township Board.
- 4. Formal budgetary integration is employed as a management control device during the year for the General Fund.
- 5. Budgets for General and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles. All unexpended appropriations lapse at the year end. Encumbrances are not employed.
- 6. Supplemental appropriations or authorized budget amendments were approved as follows:

<u>Fund</u>	<u>Purpose</u>	<u>Amount</u>
General Fund	Provide funding for ordinance enforcement officer	\$ 4,000

SHERIDAN TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government.

Investments are stated at cost or amortized cost.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Short-term Interfund Receivable/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables".

Interfund Transactions

During the course of normal operations, the Township has numerous transactions between funds, including expenditures and transfers or resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. Operating subsidies are also recorded as operating transfers. The amounts recorded as subsidies, advances, or equity contributions are determined by Township management.

Fixed Assets

General fixed assets are recorded as expenditures in the applicable funds at the time of purchase and are accounted for in the General Fixed Asset Group of Accounts. All purchased fixed assets are valued at cost at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. No depreciation has been provided on general fixed assets.

SHERIDAN TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fixed Assets

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the government.

Property Taxes

The Township property tax is levied on each December 1, on the State Taxable Valuation of property located in the Township as of the preceding December 31st.

The Township 2003 ad valorem tax is levied and collectible on December 31, 2003. It is the Township's policy to recognize revenue from this year's tax levy.

The 2003 State Equalized Valuation of the Township totaled \$59,439,150 and the State Taxable Valuation was \$42,951,214, on which ad valorem taxes levied consisted of .8042 mills for general government purposes and 4.5 mills for fire department operations. The total township property tax levy was \$227,822.

Special Assessment Revenue Recognition

Special assessment revenue is recorded as deferred when initially assessed. To the extent special assessments are realized, that is collected, revenue is recognized.

Fund Equity

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations. Reserved fund balances represent the net assets that have been legally identified for specific purposes. Designated fund balances represent management's future plans for use of resources.

NOTE 2 - PROPERTY TAXES RECEIVABLE

The delinquent real property taxes of the Township are purchased by the County of Calhoun. The County intends to sell tax notes, the proceeds of which will be used to pay the Township for these property taxes. These taxes have been recorded as revenue for the current year.

SHERIDAN TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

Deposits are carried at cost. Deposits are in three financial institutions in the name of the Township Treasurer. Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in accounts of Federally insured banks, credit unions, and savings and loan associations. Investments can also be made in bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States, which are guaranteed as to principal and interest by the United States, including securities issued by the Government National Mortgage Association; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the three highest classifications by not less than two standard rating services which mature not more than 270 days after the date of purchase and which involve no more than 50 percent of any one fund. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. Attorney General's Opinion No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township's deposits are in accordance with statutory authority.

The Governmental Accounting Standards Board (GASB) Statement No. 3 risk disclosure for deposits at year end are as follows:

<u>Deposits</u>	
Insured (FDIC)	\$ 215,986
Uninsured and Uncollateralized	346,536
Total	<u>\$ 562,522</u>

At year end, the balance sheet carrying amount of deposits was \$550,632.

NOTE 4 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

P.A. 621 of 1978, Section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the Township for these budgetary funds were adopted to the activity level.

SHERIDAN TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS
(Cont'd)

During the year ended March 31, 2004, the Township incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated.

<u>Fund</u>	<u>Total</u> <u>Appropriations</u>	<u>Amount of</u> <u>Expenditures</u>	<u>Budget</u> <u>Variance</u>
Special Revenue Fund			
Public Safety:			
Fire Department	\$167,520	\$170,307	\$ (2,787)

NOTE 5 - LONG-TERM DEBT

Long-term debt at March 31, 2004, is comprised of the following:

Sewer Project - Contract Payable

During fiscal 1992-93, the Township entered into a contract with Calhoun County to construct a sewer line through the Township that will connect certain users in the Township with the City of Albion's sewage disposal system. Under this agreement, the County obtained financing for this project through the Michigan State Revolving Loan Fund. The amount of the loan is \$381,668 with repayment over 20 years with interest at 2%. The debt obligation is backed by the full faith and credit of Calhoun County and the Township, and will be repaid by the Township through special assessments.

During the year ended March 31, 2004, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>04/01/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>03/31/04</u>
Sewer Project	<u>\$200,000</u>	<u>\$ -0-</u>	<u>\$ 20,000</u>	<u>\$180,000</u>

SHERIDAN TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - LONG-TERM DEBT (Cont'd)

The annual debt service required to amortize long-term debt as of March 31, 2004, is as follows:

Year Ended March 31,	Contract Payable
2005	\$ 28,600
2006	23,100
2007	22,700
2008	27,300
2009	21,800
Thereafter	72,800
	<u>\$196,300</u>

NOTE 6 - LEASED PROPERTY UNDER CAPITAL LEASES (LONG-TERM LEASES)

- A. The Township has elected to capitalize its long-term lease agreement with Marquette Bank of Bridgeview, Illinois. This lease is to provide funds for new construction and remodeling of the township hall at an estimated total cost of \$525,000.

The Township paid \$300,000 from township investments and financed the \$225,000 balance over ten years at 5.89% per annum. This lease will expire in 2011.

- B. The following is an analysis of leased property under capital leases at March 31, 2004, by fund or account group.

General Fund	<u>\$ 525,000</u>
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- C. The following is a schedule, by years, of future minimum lease payments under the capital leases, together with the present value of the minimum lease payments of March 31, 2004.

Year Ended March 31,	General
2005	\$ 30,411
2006	30,411
2007	30,411
2008	30,411
2009	30,411
Thereafter	91,234
Total Minimum Lease Payment	\$ 243,289
Less: Amount Representing Interest	53,617
Present Value of Minimum Lease Payments	<u>\$ 189,672</u>

SHERIDAN TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 7 - CHANGES IN GENERAL FIXED ASSETS

A Summary of changes in general fixed assets follows:

	Balance 04/01/03	Additions	Deletions	Balance 03/31/04
Building	\$ 632,259	\$ 4,255	\$ -0-	\$ 636,514
Fire Equipment	132,296	12,747	-0-	145,043
Furniture & Equip.	112,899	-0-	-0-	112,899
Vehicles	411,840	-0-	-0-	411,840
Total	<u>\$ 1,289,294</u>	<u>\$ 17,002</u>	<u>\$ -0-</u>	<u>\$ 1,306,296</u>

NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES

The amounts of interfund receivables and payables are as follows:

Fund	Interfund Receivable	Fund	Interfund Payable
General	\$ 25,723	Fire Department	\$ 627
		Escrow	448
		Current Tax Collection	24,648
Fire Department	56,913		56,913
Current Tax Collection	<u>20,888</u>	Sewer Debt Service	<u>20,888</u>
	<u>\$ 103,524</u>		<u>\$ 103,524</u>

NOTE 9 - PENSION

The Township has an informal pension policy where three full-time firemen are paid 3% of their wages annually, at the beginning of the fiscal year, with the intent that this be deposited into an IRA.

NOTE 10 - RISK FINANCING

The Township is exposed to various risks of loss related to theft of, damage to, and distribution of assets; errors and omissions; and injuries to employees. The Township purchases insurance from independent third parties for claims relating to general liability, excess liability, auto liability, errors and omissions, physical damage (equipment, building and contents) and workers' compensation. Settlement amounts have not exceeded insurance coverage for the current or three prior years.

SHERIDAN TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 11 - NEW REPORTING STANDARD

In June 1999, the Governmental Accounting Standards Board (GASB) Issued Statement 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This Statement establishes new financial reporting requirements for state and local governments throughout the United States. When implemented, it will require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in all prior years will be affected. The Township is required to implement this standard for the fiscal year ending March 31, 2005. The township has not yet determined the full impact that the adoption of GASB Statement 34 will have on the financial statements.

**SHERIDAN TOWNSHIP
BALANCE SHEET
FIRE DEPARTMENT SPECIAL REVENUE FUND
MARCH 31,2004**

ASSETS

ASSETS

Receivable:

Taxes	\$ 18,427
Due From Other Funds	56,913
Due From Other Governments	<u>2,609</u>
 Total Assets	 \$ <u><u>77,949</u></u>

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts Payable	\$ 318
Accrued Wages	1,498
Due to Other Funds	<u>627</u>
 Total Liabilities	 \$ 2,443

FUND BALANCES

Fund Balance	<u>75,506</u>
 Total Liabilities and Fund Balances	 \$ <u><u>77,949</u></u>

The notes to the financial statements
are an integral part of this statement

**SHERIDAN TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FIRE DEPARTMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED MARCH 31, 2004**

REVENUES	
Special Assessments	\$ 192,752
Charges for Services	<u>6,154</u>
 Total Revenues	 <u>\$ 198,906</u>
 EXPENDITURES	
Current:	
Public Safety:	
Fire Protection:	
Salaries	\$ 96,806
Employee Fringe Benefits	8,143
Supplies	2,594
Telephone	1,072
Insurance	40,600
Repairs & Maintenance	2,475
Utilities	3,368
Miscellaneous	2,502
Capital Outlay	<u>12,747</u>
 Total Expenditures	 <u>\$ 170,307</u>
 Excess of Revenues Over (Under) Expenditures	 \$ 28,599
 Fund Balance - April 1	 <u>46,907</u>
 Fund Balance - March 31	 <u><u>\$ 75,506</u></u>

The notes to the financial statements
are an integral part of this statement

**SHERIDAN TOWNSHIP
BALANCE SHEET
SEWER PROJECT DEBT SERVICE FUND
MARCH 31, 2004**

ASSETS

ASSETS	
Cash and Cash Equivalents	\$ 36,712
Receivable:	
Accounts	3,800
Special Assessments	<u>200,000</u>
 Total Assets	 \$ <u><u>240,512</u></u>

LIABILITIES AND FUND BALANCES

LIABILITIES	
Due to Other Funds	\$ 20,888
Deferred Revenue	<u>180,000</u>
 Total Liabilities	 \$ 200,888
 FUND BALANCES	
Reserved for Debt Service	<u>39,624</u>
 Total Liabilities and Fund Balances	 \$ <u><u>240,512</u></u>

The notes to the financial statements
are an integral part of this statement

SHERIDAN TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
SEWER PROJECT DEBT SERVICE FUND
FOR THE YEAR ENDED MARCH 31, 2004

REVENUES	
Taxes	\$ 20,000
Interest Income	<u>3,800</u>
Total Revenues	<u>\$ 23,800</u>
 EXPENDITURES	
Debt Service:	
Principal Retirement	\$ 20,000
Interest and Fiscal Charges	<u>4,000</u>
Total Expenditures	<u>\$ 24,000</u>
Excess of Revenues Over (Under)	
Expenditures	\$ (200)
Fund Balance - April 1	<u>39,824</u>
Fund Balance - March 31	<u><u>\$ 39,624</u></u>

The notes to the financial statements
 are an integral part of this statement

SHERIDAN TOWNSHIP
COMBINING STATEMENT OF CHANGES IN ASSETS AND
LIABILITIES - ALL AGENCY FUNDS
MARCH 31, 2004

	Balance 04/01/03	Additions	Deductions	Balance 3/31/04
<u>TRUST AND AGENCY - ESCROW</u>				
ASSETS				
Cash	\$ 797	\$ 7,292	\$	\$ 8,089
Total Assets	\$ 797	\$ 7,292	\$ -0-	\$ 8,089
LIABILITIES				
Liabilities				
Accounts Payable	\$ -0-	\$ 7,292	\$	\$ 7,292
Due to Other Funds	448			448
Performance Bonds Payable	349			349
Total Liabilities	\$ 797	\$ 7,292	\$ -0-	\$ 8,089
<u>TRUST AND AGENCY - PAYROLL</u>				
ASSETS				
Cash	\$ 90	\$ 165,781	\$ 161,620	\$ 4,251
Total Assets	\$ 90	\$ 165,781	\$ 161,620	\$ 4,251
LIABILITIES				
Liabilities				
Accounts Payable	\$ 90	\$ 165,781	\$ 161,620	\$ 4,251
Total Liabilities	\$ 90	\$ 165,781	\$ 161,620	\$ 4,251
<u>CURRENT TAX COLLECTION</u>				
ASSETS				
Cash	\$ 58,497	\$ 1,601,044	\$ 1,596,332	\$ 63,209
Due From Other Funds	-0-	20,888		20,888
Total Assets	\$ 58,497	\$ 1,621,932	\$ 1,596,332	\$ 84,097
LIABILITIES				
Liabilities				
Due to Other Funds	\$ 45,521	\$ 263,444	\$ 227,404	\$ 81,561
Undistributed Tax Collections	12,976	1,358,488	1,368,928	2,536
Total Liabilities	\$ 58,497	\$ 1,621,932	\$ 1,596,332	\$ 84,097

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**SHERIDAN TOWNSHIP
COMBINING STATEMENT OF CHANGES IN ASSETS AND
LIABILITIES - ALL AGENCY FUNDS
MARCH 31, 2004**

	Balance 04/01/03	Additions	Deductions	Balance 3/31/04
<u>TOTAL ALL AGENCY FUNDS</u>				
ASSETS				
Cash	\$ 59,384	\$ 1,774,117	\$ 1,757,952	\$ 75,549
Due From Other Funds	<u>-0-</u>	<u>20,888</u>		<u>20,888</u>
Total Assets	<u>\$ 59,384</u>	<u>\$ 1,795,005</u>	<u>\$ 1,757,952</u>	<u>\$ 96,437</u>
LIABILITIES				
Liabilities				
Accounts Payable	\$ 90	\$ 173,073	\$ 161,620	\$ 11,543
Due to Other Funds	45,969	263,444	227,404	82,009
Undistributed Tax Collections	12,976	1,358,488	1,368,928	2,536
Performance Bonds Payable	<u>349</u>			<u>349</u>
Total Liabilities	<u>\$ 59,384</u>	<u>\$ 1,795,005</u>	<u>\$ 1,757,952</u>	<u>\$ 96,437</u>

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SHERIDAN TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:			
Taxes:			
Current Taxes	\$ 34,344	\$ 33,298	\$ (1,046)
Administrative Fee	18,518	20,276	1,758
Trailer Park Taxes	500	2,232	1,732
	<u>\$ 53,362</u>	<u>\$ 55,806</u>	<u>\$ 2,444</u>
State Grants:			
State Shared Revenue	\$ 189,000	\$ 174,437	\$ (14,563)
Licenses and Permits:			
Construction Permits	\$ 13,500	\$ 10,899	\$ (2,601)
Cable TV Franchise Fees	10,400		(10,400)
	<u>\$ 23,900</u>	<u>\$ 10,899</u>	<u>\$ (13,001)</u>
Interest and Rentals:			
Interest	\$ 4,500	\$ 3,540	\$ (960)
Other Revenue	\$ 7,000	\$ 433	\$ (6,567)
Total Revenues	<u>\$ 277,762</u>	<u>\$ 245,115</u>	<u>\$ (32,647)</u>
EXPENDITURES:			
Current:			
Legislative:			
Salaries	\$ 3,600	\$ 3,600	\$ -0-
General Government:			
Supervisor:			
Salaries	\$ 14,000	\$ 13,500	\$ 500
Expenses & Supplies	-0-		-0-
	<u>\$ 14,000</u>	<u>\$ 13,500</u>	<u>\$ 500</u>
Election:			
Salaries	\$ 2,000	\$	\$ 2,000
Miscellaneous	1,500	338	1,162
	<u>\$ 3,500</u>	<u>\$ 338</u>	<u>\$ 3,162</u>
Assessor:			
Salaries	\$ 1,000	\$	\$ 1,000
Expenses & Supplies	-0-		-0-
	<u>\$ 1,000</u>	<u>\$ -0-</u>	<u>\$ 1,000</u>

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SHERIDAN TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Clerk:			
Salaries	\$ 14,000	\$ 13,500	\$ 500
Board of Review:			
Salaries	\$ 1,800	\$ 1,400	\$ 400
Treasurer:			
Salaries	\$ 15,500	\$ 14,532	\$ 968
Tax roll preparation	1,000	87	913
	<u>\$ 16,500</u>	<u>\$ 14,619</u>	<u>\$ 1,881</u>
Township Hall:			
Salaries	\$ 18,000	\$ 17,758	\$ 242
Computer supplies	7,000	3,122	3,878
Telephone	3,900	3,658	242
Dues & subscriptions	3,000	2,175	825
Office supplies	8,200	4,074	4,126
Equipment repairs & maint.	7,000	6,809	191
Janitorial & maint. supplies	5,000	2,931	2,069
Utilities	6,500	4,935	1,565
Capital Outlay	16,000	172	15,828
Miscellaneous	4,500	1,295	3,205
	<u>\$ 79,100</u>	<u>\$ 46,929</u>	<u>\$ 32,171</u>
Professional Services:			
Audit	\$ 4,500	\$ 4,100	\$ 400
Assessor	12,000	12,000	-0-
Legal	8,000	4,806	3,194
Engineering	4,000	333	3,667
Technical consultants	5,000	2,614	2,386
	<u>\$ 33,500</u>	<u>\$ 23,853</u>	<u>\$ 9,647</u>
Unallocated:			
Education	\$ 4,500	\$ 70	\$ 4,430
Miscellaneous	2,000	267	1,733
Contingency	25,000		25,000
	<u>\$ 31,500</u>	<u>\$ 337</u>	<u>\$ 31,163</u>
Public Safety:			
State Construction Code:			
Enforcement:			
Salaries & Fees	\$ 18,000	\$ 5,470	\$ 12,530

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SHERIDAN TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
Planning Commission:			
Salaries	\$ 6,000	\$ 3,580	\$ 2,420
Professional	5,000	1,850	3,150
Education	1,500		1,500
Dues & subscriptions	300		300
Printing & publishing	500	36	464
Miscellaneous	300		300
	<u>\$ 13,600</u>	<u>\$ 5,466</u>	<u>\$ 8,134</u>
Zoning Commssion:			
Salaries	\$ 2,000	\$ 500	\$ 1,500
Miscellaneous	-0-		-0-
	<u>\$ 2,000</u>	<u>\$ 500</u>	<u>\$ 1,500</u>
Zoning Board of Appeals:			
Salaries	\$ 1,000	\$ 200	\$ 800
Public Works:			
Highways, Streets & Bridges:			
Maintenance	\$ 16,300	\$ 3,044	\$ 13,256
Street Lighting:			
Utilities	\$ 4,500	\$ 3,975	\$ 525
Health and Welfare:			
Economic Development:			
Salaries	\$ 4,000	\$ 1,281	\$ 2,719
Professional	1,000	65	935
Miscellaneous	1,500		1,500
	<u>\$ 6,500</u>	<u>\$ 1,346</u>	<u>\$ 5,154</u>
Other:			
Insurance, Bonds and			
Fringes:			
Insurance	\$ 18,800	\$ 12,697	\$ 6,103
Social Security	4,400	8,056	(3,656)
Medicare	1,700	958	742
Unemployment	1,800	306	742
Capital Outlay	15,000	4,083	10,917
	<u>\$ 41,700</u>	<u>\$ 26,100</u>	<u>\$ 14,848</u>

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SHERIDAN TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Debt Service:			
Principal	\$ 17,159	\$ 17,159	\$ -0-
Interest and Fiscal Charges	13,253	13,252	1
	<u>\$ 30,412</u>	<u>\$ 30,411</u>	<u>\$ 1</u>
Total Expenditures	\$ 332,512	\$ 194,588	\$ 137,924
Excess of Revenues Over (Under) Expenditures	<u>\$ (54,750)</u>	<u>\$ 50,527</u>	<u>\$ 105,277</u>
Fund Balances - April 1		<u>417,700</u>	
Fund Balance - March 31		<u><u>\$ 468,227</u></u>	

The notes to the financial statements
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SHERIDAN TOWNSHIP
SCHEDULE OF INDEBTEDNESS
MARCH 31, 2004

<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Maturity Amounts</u>	<u>Outstanding at 3/31/04</u>
<u>Sewer Project Contract Payable</u> - Sewer Line Construction					
9/24/92	\$ 381,668	2.0%	4/1/05	1 25,000	25,000
			4/1/06-07	2 20,000	40,000
			4/1/08	1 25,000	25,000
			4/1/09	1 20,000	20,000
			4/1/10	1 25,000	25,000
			4/1/11	1 20,000	20,000
			4/1/12	1 25,000	25,000
					<u>\$ 180,000</u>

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